REMARKS

I. Telephonic Interview of June 2, 2005

On June 2, 2005, Applicant conducted an interview with the Office regarding the above-identified application. The interview was conducted by telephone. The following individuals were present during the telephone conference.

Representing the Office: Examiner Vu Le.

Representing the Applicant: Attorney of Record Derek C. Stettner and Assignee Snell & Wilcox's U.K. patent counsel, Peter D. Garratt.

During the interview the Applicant's representative Peter Garratt discussed the cited reference: WO 97/08898 filed in the name of Wells et al. (referred to as "Wells" or the "Wells reference"). Applicant's representative Derek Stettner also provided some commentary.

In general terms, Mr. Garratt explained Applicant's position that the Wells reference does not disclose a method of controlling a compression unit which outputs a bitstream in packets, where the method includes supplying to a reference input of the compression unit, a transport stream input with a sequence of transport packets; nominating a set of the transport packets as reference packets and arranging for the compression unit to output packets in alignment with the reference packets.

Rather, the Wells reference discloses a switch arrangement or bitstream switch that switches between a first bitstream (bitstream A) and a second bitstream (bitstream B). In other words, the Wells reference is not concerned with how a compression unit is controlled, but how switching between compressed bitstreams may be accomplished while reducing certain unwanted effects, such as cascaded decoding and recoding. Accordingly, Applicant asserted that the Wells reference was inapplicable to the claimed subject matter and that its prior arguments were appropriate and internally consistent. Although no agreement was reached, the Examiner

indicated that he would revisit the Wells reference and conduct any additional prior-art searches he believed to be necessary.

II. Claim Rejections - 35 U.S.C. § 102

The Examiner has rejected all pending claims as being anticipated by Wells. Applicant traverses the rejection because the subject matter disclosed in Wells is fundamentally different from the claimed subject matter.

Certain claimed embodiments concern the manipulation of a compressed **transport** stream containing a number of **packets of data**. A transport stream typically comprises a plurality of individual, elementary streams contained in a packet structure. Different packets of data typically correspond to different elementary streams within the transport stream. Certain claims are directed to a method or apparatus, which can, by receiving a transport stream at a reference input, provide a compressed bitstream, which is aligned with that transport stream at the packet level.

In contrast to Applicant's claimed invention, the subject matter of Wells concerns switching between **elementary bitstreams**, not transport bitstreams. The elementary bitstreams of Wells are **not packetized**. (See page 18, lines 22 to 26 of Wells.)

This key difference is highlighted when considering in more detail the encoder used in certain embodiments, and the encoder described in the Wells reference.

Certain embodiments employ a compression unit, which receives a data input and acts to produce a compressed bitstream in **packets**. The unit also receives a compressed **transport stream** having a sequence of transport **packets** as a reference input. This transport-stream-reference input forces the compression unit to output its packets in alignment with the reference packets of the reference input. A new transport stream can, therefore, be produced, with packets inserted in the correct alignment by the compression unit, the remainder of the transport stream (if present) being undisturbed.

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The encoder described in Wells is used in a conventional sense. It outputs data as a compressed stream, and **not in packets**. Furthermore, it does **not** receive a transport stream having a sequence of packets as a reference input, as claimed.

For at least the above reasons, independent claims 1, 9, 17, 25, and 32 are novel and non-obvious in view of the cited prior art.

Features of the dependent claims will not be considered in detail. Dependent claims are considered novel and non-obvious at least by virtue of their dependency on the respective independent claim.

Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

Respectfully submitted,

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